

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA**

Michael J. Quilling, Receiver for
Frederick J. Gilliland,

Plaintiff,

$$V.$$

Grand Street Trust, Heartland Control Trust, Future Control Trust, Marie Margarite Gueco Mercado Paquette, Rein Evans Sestanovich, L.L.P. f/k/a Dressler Rein Evans & Sestanovich, L.L.P., Melrose Escrow, Inc., and Paul J. Cohen.

Defendants.

Case No. 3:04-CV-251

**ORDER GRANTING
MOTION OF DEFENDANT
REIN EVANS SESTANOVICH
FOR ENTRY OF DEFAULT
JUDGMENT AGAINST
MARIE MARGARITE GUECO
MERCADO PAQUETTE, GRAND
STREET TRUST, HEARTLAND
CONTROL TRUST, AND FUTURE
CONTROL TRUST**

This matter came before the Court on the Motion of Defendant Moldo Davidson Fraioli Seror & Sestanovich LLP, a California limited liability partnership formerly known as Rein Evans & Sestanovich LLP, and before that, known as Dressler Rein Evans & Sestanovich LLP (hereafter referred to as the “Firm”) for entry of a default judgment (the “Motion”) [Docket no. 55] against defendants Grand Street Trust, Heartland Control Trust, Future Control Trust and Marie Margarite Gueco Mercado Paquette a/k/a Marie Mercado, a/k/a Marie Paquette (hereafter “Mercado Paquette”). The Motion was supported by the Declaration of Peter Davidson [Docket no. 56].

Based upon the Motion, the Declaration of Peter Davidson and a review of the docket, the Court finds that good cause exists to grant the Motion and further finds that:

1. The present action was filed on May 20, 2004.
2. On September 22, 2005, the Firm filed an answer, counter-claims, and cross-claims against the other named defendants.
3. On October 19, 2005, the Clerk of Court entered an Order for Entry of Default on the Firm's cross-claims against defendants Grand Street Trust, Heartland Control Trust, Future Control Trust and Mercado Paquette (collectively the "Mercado Defendants").
4. The allegations in the Firm's Cross-claims have been admitted by the Mercado Defendants by their failure to respond to the complaint. The Mercado Defendants have also failed to respond to the Motion.

WHEREFORE, it is hereby ORDERED, ADJUDGED and DECREED that Judgment is hereby entered:

(a) Against Mercado Paquette and in favor of in favor of Moldo Davidson Fraioli Seror & Sestanovich LLP in the amount of \$170,984.47, on the Firm's first, second and third cross-claims for breach of contract, quantum meruit and account stated; and

(b) Against Grand Street Trust, Future Control Trust, Heartland Control Trust and Mercado Paquette and in favor of in favor of Moldo Davidson Fraioli Seror & Sestanovich LLP in the amount of \$74,000.00, composed of \$24,000 in settlement, plus attorneys' fees of \$50,000

expended in defending this case, on the Firm's fourth and fifth claims for indemnity and contribution.

Signed: February 20, 2007

A handwritten signature in cursive script, reading "Graham C. Mullen", written over a horizontal line.

Graham C. Mullen
United States District Judge

